



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

MARK A. EMKES
COMMISSIONER

FOR IMMEDIATE RELEASE
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CONTACT: DAVID THURMAN
615-741-4806

FEBRUARY REVENUES

NASHVILLE – Tennessee tax collections continued their upward trend in February. Department of Finance and Administration Commissioner Mark Emkes today announced that overall February revenues were \$744.3 million, which is \$5.0 million more than the state budgeted.

“Total collections in February marked the seventh consecutive positive growth month this year,” Emkes said. “Sales tax collections, reflecting January spending, recorded modest growth as did several of the smaller tax categories.

“While we continue to believe the modest growth rate in sales tax collections is indicative of a very slow but improving economy in Tennessee, we are concerned that escalating gasoline prices and the failure of Congress to enact a budget will soon begin to erode the positive growth trend we are now enjoying. We’ll monitor collections and spending and work with the General Assembly to end the fiscal year in June with a balanced budget.”

On an accrual basis, February is the seventh month in the 2012-2013 fiscal year.

The general fund was over collected by \$12.0 million and the four other funds were under collected by \$7.0 million.

Sales tax collections were \$3.0 million more than the estimate for February. The February growth rate was positive 2.42%. The year-to-date growth rate for seven months is positive 2.00%.

Franchise and excise taxes combined were \$0.2 million above the budgeted estimate of \$37.7 million. For seven months revenues are over collected by \$113.8 million. The year-to-date growth rate for seven months is 8.88%.

Gasoline and motor fuel collections for February decreased by 3.26%, and were \$6.1 million below the budgeted estimate of \$70.7 million. For seven months revenues are under collected by \$15.4 million.

Tobacco tax collections were \$3.7 million over the budgeted estimate of \$20.4 million. For seven months revenues are under collected in the amount of \$4.8 million.

Inheritance and estate taxes were over collected by \$3.5 million for the month. Year to date collections for seven months are \$10.6 million more than the budgeted estimate.

Privilege tax collections were \$2.0 million more than the February estimate, and on a year to date basis, August through February, collections are \$15.6 million above the estimate.

All other taxes were under collected by a net of \$1.3 million.

Year-to-date collections for seven months were \$94.0 million more than the budgeted estimate. The general fund was over collected by \$106.2 million and the four other funds were under collected by \$12.2 million.

The budgeted revenue estimates for 2012-2013 are based on the State Funding Board's consensus recommendation of December 19th, 2011 and adopted by the second session of the 107th General Assembly in April 2012. They are available on the state's website at <http://www.tn.gov/finance/bud/budget.html>.

The State Funding Board met on December 14, 2012 to hear updated revenue projections from the state's various economists. The board met again on December 19th and adopted revised revenue ranges for 2012-2013. The revised ranges assume an over collection from the July 2012 budgeted estimate in the amount of \$203.0 million to \$287.3 million in total taxes and in the amount of \$224.2 million to \$305.9 million in general fund taxes for the current fiscal year.

Table 1
Revenue Collections by Fund
February
2012-2013

Fund	2013				2012 Actual	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$592,624,000	\$580,664,000	\$11,960,000	2.06%	\$575,375,000	\$17,249,000	3.00%
Highway Fund	54,674,000	58,656,000	(3,982,000)	-6.79%	54,282,000	392,000	0.72%
Sinking Fund	32,983,000	32,949,000	34,000	0.10%	32,178,000	805,000	2.50%
City & County Fund	61,091,000	64,077,000	(2,986,000)	-4.66%	62,556,000	(1,465,000)	-2.34%
Earmarked Fund	2,900,000	2,900,000	0	0.00%	2,176,000	724,000	33.27%
Total	\$744,272,000	\$739,246,000	\$5,026,000	0.68%	\$726,567,000	\$17,705,000	2.44%

Revenue Collections by Tax
February
2012-2013

Tax Source	2013				2012 Actual	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$37,944,000	\$37,700,000	\$244,000	0.65%	\$39,754,000	(\$1,810,000)	-4.55%
Income	2,172,000	2,572,000	(400,000)	-15.55%	2,417,000	(245,000)	-10.14%
Inheritance & Estate	8,679,000	5,181,000	3,498,000	67.52%	3,079,000	5,600,000	181.88%
Gasoline	48,268,000	51,823,000	(3,555,000)	-6.86%	50,577,000	(2,309,000)	-4.57%
Petroleum Special	4,968,000	5,249,000	(281,000)	-5.35%	5,071,000	(103,000)	-2.03%
Tobacco	24,096,000	20,416,000	3,680,000	18.03%	19,964,000	4,132,000	20.70%
Beer	1,550,000	1,440,000	110,000	7.64%	1,451,000	99,000	6.82%
Motor Vehicle Registration	22,204,000	21,946,000	258,000	1.18%	20,881,000	1,323,000	6.34%
Motor Vehicle Title	936,000	896,000	40,000	4.46%	886,000	50,000	5.64%
Mixed Drink	5,133,000	5,019,000	114,000	2.27%	4,951,000	182,000	3.68%
Business	16,671,000	16,506,000	165,000	1.00%	17,154,000	(483,000)	-2.82%
Privilege	15,316,000	13,291,000	2,025,000	15.24%	15,166,000	150,000	0.99%
Gross Receipts	116,000	38,000	78,000	205.26%	318,000	(202,000)	-63.52%
TVA - In Lieu of Tax Payments	27,297,000	29,385,000	(2,088,000)	-7.11%	28,662,000	(1,365,000)	-4.76%
Alcoholic Beverage	3,246,000	2,943,000	303,000	10.30%	2,994,000	252,000	8.42%
Sales and Use	514,021,000	511,000,000	3,021,000	0.59%	501,866,000	12,155,000	2.42%
Motor Vehicle Fuel	11,418,000	13,672,000	(2,254,000)	-16.49%	11,182,000	236,000	2.11%
Severance	223,000	167,000	56,000	33.53%	193,000	30,000	15.54%
Coin-operated Amusement	14,000	2,000	12,000	600.00%	1,000	13,000	1300.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$744,272,000	\$739,246,000	\$5,026,000	0.68%	\$726,567,000	\$17,705,000	2.44%

Table 2
Revenue Collections by Fund
Year-to-Date
August - February
2012-2013

Fund	2012-2013				2011-2012	2012-2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$5,187,607,000	\$5,081,401,000	\$106,206,000	2.09%	\$5,023,620,000	\$163,987,000	3.26%
Highway Fund	388,694,000	395,883,000	(7,189,000)	-1.82%	391,264,000	(2,570,000)	-0.66%
Sinking Fund	234,082,000	234,347,000	(265,000)	-0.11%	228,587,000	5,495,000	2.40%
City & County Fund	467,590,000	472,340,000	(4,750,000)	-1.01%	466,802,000	788,000	0.17%
Earmarked Fund	20,300,000	20,300,000	0	0.00%	15,225,000	5,075,000	33.33%
Total	\$6,298,273,000	\$6,204,271,000	\$94,002,000	1.52%	\$6,125,498,000	\$172,775,000	2.82%

Revenue Collections by Tax
Year-to-Date
August - February
2012-2013

Tax Source	2012-2013				2011-2012	2012-2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$889,364,000	\$775,600,000	\$113,764,000	14.67%	\$816,867,000	\$72,497,000	8.88%
Income	21,348,000	15,798,000	5,550,000	35.13%	11,953,000	9,395,000	78.60%
Inheritance & Estate	56,770,000	46,148,000	10,622,000	23.02%	58,277,000	(1,507,000)	-2.59%
Gasoline	357,594,000	363,847,000	(6,253,000)	-1.72%	362,749,000	(5,155,000)	-1.42%
Petroleum Special	36,633,000	37,876,000	(1,243,000)	-3.28%	37,214,000	(581,000)	-1.56%
Tobacco	159,456,000	164,246,000	(4,790,000)	-2.92%	157,994,000	1,462,000	0.93%
Beer	10,511,000	10,327,000	184,000	1.78%	9,963,000	548,000	5.50%
Motor Vehicle Registration	135,655,000	135,646,000	9,000	0.01%	132,516,000	3,139,000	2.37%
Motor Vehicle Title	6,327,000	6,459,000	(132,000)	-2.04%	6,487,000	(160,000)	-2.47%
Mixed Drink	39,017,000	36,180,000	2,837,000	7.84%	36,712,000	2,305,000	6.28%
Business	61,183,000	59,269,000	1,914,000	3.23%	57,771,000	3,412,000	5.91%
Privilege	132,727,000	117,141,000	15,586,000	13.31%	117,511,000	15,216,000	12.95%
Gross Receipts	11,156,000	13,867,000	(2,711,000)	-19.55%	16,130,000	(4,974,000)	-30.84%
TVA - In Lieu of Tax Payments	200,897,000	204,974,000	(4,077,000)	-1.99%	201,670,000	(773,000)	-0.38%
Alcoholic Beverage	30,497,000	29,598,000	899,000	3.04%	29,527,000	970,000	3.29%
Sales and Use	4,057,643,000	4,088,000,000	(30,357,000)	-0.74%	3,978,124,000	79,519,000	2.00%
Motor Vehicle Fuel	90,001,000	97,867,000	(7,866,000)	-8.04%	92,443,000	(2,442,000)	-2.64%
Severance	1,392,000	1,349,000	43,000	3.19%	1,531,000	(139,000)	-9.08%
Coin-operated Amusement	98,000	79,000	19,000	24.05%	78,000	20,000	25.64%
Unauthorized Substance	4,000	0	4,000	NA	(19,000)	23,000	NA
Total	\$6,298,273,000	\$6,204,271,000	\$94,002,000	1.52%	\$6,125,498,000	\$172,775,000	2.82%